

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
JULY 21, 2014**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, July 21, 2014.

The meeting was called to order by Chairman Wayne Schuetter.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Wayne Schuetter – Chairman
Rick Stradtner – Vice Chairman
Doug Schulte – Secretary
Alex Emmons – Wastewater Commissioner
Ken Sendelweck – Electric Commissioner
Dave Hurst – Water Commissioner
Keith Masterson – Gas Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Ernie Hinkle – Gas & Water Manager
Ed Hollinden – Wastewater Manager
Bud Hauersperger – General Manager
Renee Kabrick – City Attorney
Ashley Kiefer – Office Manager

PLEDGE OF ALLEGIANCE (DVD-00:35)

Chairman Wayne Schuetter led the Pledge of Allegiance.

QUOTE OPENING: MINI-DERRICK – ELEC. DISTRIBUTION (DVD-00:58)

Hauersperger stated that only two quotes were received. City Utility Company did not respond. Hauersperger opened the quotes and read them aloud as follows:

1. Altec Industries	\$140,673.00
St. Joseph, MO	<u>\$ - 7,000.00</u> (trade-in)
	\$133,673.00
2. Nesco Sales & Rentals	\$153,850.00
Bluffton, IN	<u>\$ - 2,000.00</u> (trade-in)
	\$151,850.00

All quotes included a Non-Collusion Affidavit, an Indiana Legal Employment Declaration, a Nepotism Policy Affirmation and an Affidavit Regarding Non-responsibility.

Jerry Schitter stated that he would like permission from the Board to purchase the mini-derrick from the low bidder if all specifications are met. The Capital Expenditure Plan approved \$145,000 for this purchase.

Ken Sendelweck made a motion to purchase the mini-derrick from the low bidder, Altec Industries, for \$133,673, if all specifications are met. Rick Stradtner seconded the motion. Motion approved, 7-0.

QUOTE OPENING: DUMP TRUCK - WATER (DVD-06:16)

Hauersperger stated that only two quotes were received. Luegers Motors did not have a dump truck that met the specifications and Sternberg Chrysler did not respond. Hauersperger opened the quotes and read them aloud as follows:

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|----------------------------------|-------------|
| 1. Uebelhor & Sons
Jasper, IN | \$74,593.00 |
| 2. Ruxer Ford
Jasper, IN | \$67,000.00 |

The quotes included a Non-Collusion Affidavit, an Indiana Legal Employment Declaration, a Nepotism Policy Affirmation, and an Affidavit Regarding Non-responsibility.

Ernie Hinkle asked for the Board's permission to purchase the dump truck from the low bidder if all specifications are met. The Capital Expenditure Plan approved \$85,000 for this purchase.

Alex Emmons made a motion to give Hinkle permission to purchase the dump truck from the low bidder, Ruxer Ford, for \$67,000, if all specifications are met. Keith Masterson seconded the motion. Motion approved, 7-0.

APPROVAL OF MINUTES (DVD-10:40)

Chairman Wayne Schuetter presented the minutes of the June 16, 2014 Regular Meeting and there being no corrections or amendments, asked for a motion to approve the minutes. Rick Stradtner made a motion to approve the minutes of the meeting as presented. Doug Schulte seconded the motion. Motion approved, 7-0.

IMPA CAPACITY PAYMENT AGREEMENT (DVD-11:21)

Hauersperger explained to the Board that the Capacity Payment Agreement with IMPA used to help the City sell the power from the power plant. IMPA has this contract with the City and charges the City a fee to manage the power. Since the power plant has been idle, IMPA has been charging a monthly fee of \$500. Hauersperger feels that there is no need for the contract at this time. IMPA has verbally stated that they will assist the City, when needed, to run the power plant for testing, etc.

Ken Sendelweck made a motion to terminate the Capacity Payment Agreement with IMPA, retroactive to June 1, 2014. Keith Masterson seconded the motion. Motion approved, 7-0.

ELECTRIC PLANNING COMMITTEE REPORT (DVD-14:53)

Ken Sendelweck, Chairman of the Electric Planning Committee, stated that the Committee did meet on July 2, 2014. At the meeting the Committee discussed planning options for the power plant. The Committee discussed sending out Requests for Expressions of Interest (REI), which will include broad parameters. Sendelweck stated they would keep everything on the table including the option of dismantling the power plant.

Hauersperger has prepared a draft for the REI. He has also been in contact with SAIC regarding an environmental impact study for the power plant, which will include costs for dismantling the plant. Hauersperger is also looking into contacting an appraiser to get the net worth of the plant and the land surrounding it.

Sendelweck stated that the Committee wants to recommend the REI to the Common Council at their meeting on Wednesday night. Responses to the REI will be due by December 1, 2014.

Ken Sendelweck made a motion to recommend to the Common Council sending out the REI for the power plant. Alex Emmons seconded the motion. Motion approved, 7-0.

The Committee also discussed a suggestion made by Umbaugh during the last rate study regarding the classification of the Electric reserve balances. Umbaugh suggested moving some of the reserves around into different funds. It was decided to table recommending the reclassification of the balances until the REI's for the power plant are in.

The Committee also tabled the discussion regarding expensing the Construction in Progress (CIP) accounts for the Jasper Clean Energy project. The Utility Controller will check with the State Board of Accounts to see what all the options are regarding the funds.

The City was also contacted by IMPA about being a 2015 candidate for a 1 megawatt solar array located in the City. The solar array would provide power for all IMPA members, not just Jasper. The old City landfill is being considered as a possible site for the solar array.

PERMISSION TO EXTEND 4" GAS MAIN TO IMPROVE INFRASTRUCTURE OF KIMBALL INDUSTRIAL PARK (DVD-23:08)

Hinkle asked for the Board's approval to proceed with a project on 100 South to extend a gas main to improve the infrastructure of Kimball Industrial Park. Hinkle stated that 1,100 feet of 4 inch welded steel gas pipe would be installed from Lube Way to Dispatch Road. This project would also increase reliability with a second feed source from the south. This extension should also help with the low pressure problems in that area.

The total project cost would be \$21,500, which includes equipment, labor, and welding. Hinkle stated that the money for this project would come out of the Maintenance of Mains fund. He would like this project done before winter.

Rick Stradtner made a motion to give Hinkle permission to extend the 4" gas main to improve infrastructure at the Kimball Industrial Park for \$21,500. Dave Hurst seconded the motion. Motion approved, 7-0.

GAS PLANNING COMMITTEE REPORT (DVD-26:23)

Keith Masterson, Chairman of the Gas Planning Committee, stated that the Gas Committee did not meet during the past month.

WATER PLANNING COMMITTEE REPORT (DVD-26:29)

Dave Hurst, Chairman of the Water Planning Committee, stated the Committee did not meet during the past month.

RESULTS OF TRAILER MOUNTED VACUUM QUOTE OPENING (DVD-26:35)

Ed Hollinden stated that he received the two documents that were missing from the bid packet submitted by Geiger Trenchless Solutions, the only bidder, for the trailer mounted vacuum. The quote did meet all specifications and he would like permission to purchase the trailer mounted vacuum for \$88,945.

Keith Masterson made a motion to give Hollinden permission to purchase the trailer mounted vacuum from Geiger Trenchless Solutions for \$88,945. Alex Emmons seconded the motion. Motion approved, 7-0.

WASTEWATER PLANNING COMMITTEE REPORT (DVD-28:00)

Alex Emmons, Chairman of the Wastewater Planning Committee, stated the committee did not meet during the past month.

FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET (DVD-28:25)

Doug Schulte reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Dave Hurst made a motion to approve the claims as presented. Keith Masterson seconded the motion. Motion approved, 7-0.

There being no further business to come before the Board, the meeting was adjourned at 7:30PM upon motion by Alex Emmons and second by Dave Hurst. Motion approved, 7-0.

The minutes were hereby approved X with _____ without corrections this _____ day of _____, 2014.

Attest: _____
Secretary Chairman